



Oklahoma INSURANCE Department
State of Oklahoma

BULLETIN NO. PC 2008-06

**TO: ALL PROPERTY AND CASUALTY INSURERS LICENSED IN OKLAHOMA
ALL RATING AND ADVISORY ORGANIZATIONS
ATTENTION: STATE FILING DIVISION**

FROM: KIM HOLLAND, INSURANCE COMMISSIONER

RE: ONLINE AUTO LIABILITY INSURANCE VERIFICATION SYSTEM

DATE: October 24, 2008

In 2006, Oklahoma enacted a law mandating an online system for verifying compliance with the Compulsory Insurance Law. The mandate is applicable to all vehicles other than those identified in FAQ#4. This mandate is codified at 47 O.S.7-600.2. The online verification system, which will be operational on January 1, 2009, is being tested now. It has already become apparent that better identification of the vehicle and the carrier issuing the insurance coverage is needed.

47 O.S. 7-601.1 requires carriers issuing an owner's policy to supply a security verification form on a form approved by the Insurance Commissioner. This statute specifies the minimum information that must be included. In order to facilitate efforts by the Oklahoma Department of Public Safety and the Oklahoma Tax Commission to ensure the functionality of the online verification system, the Oklahoma Insurance Department will, effective immediately, require the security verification forms to more clearly identify the minimum required information.

New forms reflecting the additional information as outlined below including the NAIC company code should be filed for approval as soon as possible. Acord and Wolters Kluwer Financial Services will have approved Oklahoma security verification forms soon.

It is very important that the security verification form is an accurate reflection of the auto liability policy. Otherwise a consumer may not be able to obtain their tag or show acceptable proof of insurance to a law enforcement official. The updated minimum information required to be shown on the Oklahoma Owners Security Verification Form is listed below:

- **Company Name and Address:** The exact name of the insurance company as filed with the Oklahoma Insurance Department must be listed. The address should be the regional office responsible for Oklahoma or the company's home office. An insurer group name will **not** be accepted. A DBA may be used if it is listed after the exact insurer name. Acceptable Example: ABC Insurance Company DBA ABC
- **NAIC Company Code:** Each insurer is assigned a five-digit code by the National Association of Insurance Commissioners (NAIC). Please be sure to provide the NAIC five digit company code rather than the Oklahoma certificate of authority number. NAIC company codes may be obtained from the specific insurer or by the following search

- feature located on the Oklahoma Insurance Department website.
<https://www.sircon.com/ComplianceExpress/Inquiry/consumerInquiry.do?nonSscrb=Y>
- **Name, address and phone number of the agent or office where the existence of security may be verified, if other than the carrier.**
- **Policy Number:** The complete policy number or binder number must be included.
- **Name of the Named Insured**
- **The inclusive dates the motor vehicle liability insurance is in effect.** The effective date and expiration date of the policy.
- **Year the vehicle was manufactured**
- **Make/Model of the vehicle**
- **Vehicle Identification Number:** It is very important that all digits of the VIN number be accurate and listed on the form.

FREQUENTLY ASKED QUESTIONS:

1. **Our policyholders currently have security verification forms that do not include the NAIC company code. Are we required to reissue the form or can we wait until renewal?**

It will be important to a policyholder to have a security verification form that is an accurate reflection of their insurance policy. They may not be able to obtain their auto tag if the insurer's name is not listed exactly as it is on file with the Oklahoma Insurance Department **or** an NAIC company code is not provided.

2. **What insurance product will satisfy the financial responsibility requirement?**

Pursuant to the Department of Public Safety's statute Title 47, § 7-204, a policy shall be effective as proof of financial responsibility only if issued by an insurance company authorized to do business in this state. Insurers with a certificate of authority for casualty with vehicle are authorized to write auto liability insurance. A current copy of the Oklahoma Insurance Report, which lists authorized (licensed) insurers in the Annual Report and Directory as licensed insurers may be viewed by using this hyperlink.
http://www.ok.gov/oid/News_and_Events/News/Annual_Report/index.html.

3. **What if an auto liability policy cannot be obtained from an insurance company authorized for casualty with vehicle?**

If you are having problems finding auto insurance due to a high risk driver classification, you should contact Oklahoma's Automobile Insurance Plan at (405) 842-0844. This program may be able to connect you with insurance agents that may be willing to cover your automobile. Contact the Oklahoma Automobile Insurance Plan between 8 am and 5 pm, Monday – Friday. Web address: www.aipso.com/ok

4. **Is the online insurance verification system applicable to every vehicle?**

Some kinds of vehicles are not required to carry security verification forms with them. 47 O.S. § 7-602.A.4 lists those vehicles:

- a. any vehicle owned or leased by the federal or state government, or any agency or political subdivision thereof,
- b. any vehicle bearing the name, symbol, or logo of a business, corporation or utility on the exterior and which is in compliance with 47 O.S. § 7-600 through 7-610 according to records of the Department of Public Safety which reflect a deposit, bond, self-insurance, or fleet policy,
- c. fleet vehicles maintaining current vehicle liability insurance as required by the Corporation Commissioner or any other regulating entity,
- d. any licensed taxicab, and
- e. any vehicle owned by a licensed used motor vehicle dealer.

5. If the insured vehicle is a private passenger auto and part of a fleet, will the security verification form reflect that distinction?

Pursuant to 47 O.S. §7-601.1A.3, applicable to an owner's policy providing blanket liability coverage for a fleet of motor vehicles, the security verification form shall bear the term "Fleet Coverage".

Please periodically check this bulletin for updates to the Frequently Asked Questions portion.

Any questions regarding this bulletin should be directed by e-mail to the Rate and Form Compliance Division, Kathie.Stepp@oid.ok.gov or to the Legal Division, Susan.Dobbins@oid.ok.gov.

The Oklahoma Insurance Department encourages readers of this bulletin to periodically check the Department's web site, www.ok.gov/oid/, for news and updates to Bulletins and other relevant material.

